GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4127
ANSWERED ON:09.08.2002
FINANCE ACT, 1997
ARUN KUMAR

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government had inserted a section 3A in the Central Excise Act, 1944 through Finance Act, 1997;

(b) if so, the aims and objectives of the said Section that has been introduced;

(c) the details of the lapses and lacunae noticed in the above said Act; and

(d) the steps taken by the Government to rectify defects?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) Yes, Sir.

(b),(c)&(d): Section 3A was introduced with the aim of curbing evasion of taxes and to ensure that excise duty is collected on the basis of production capacity. However, in view of practical problems in implementation, this section was deleted by the Finance Act, 2001.